

RETURN

(120)

In answer to an Order of the House of Commons of April 25, 1906, for a copy of all contracts with steamship companies for steamboat service between Canada and Mexico.

R. W. SCOTT,

Secretary of State.

ARTICLES OF AGREEMENT made this seventh day of June, in the year of our Lord one thousand nine hundred and five, between the Honourable the Minister of Trade and Commerce of the Dominion of Canada (hereinafter referred to as 'The Minister,' which expression shall include the Minister of Trade and Commerce of the said Dominion for the time being), acting for and on behalf of His Majesty, of the one part, and Messrs. Elder Dempster & Company, of Liverpool, England, hereinafter called the Contractors, of the other part.

WITNESSETH, that for and in consideration of the covenants, agreements, stipulations and reservations hereinafter contained on the part of His Majesty, the Contractors for themselves and their successors, do covenant and agree to and with His Majesty, his heirs and successors, in manner and form and to the effect following, that is to say:—

1. The Contractors owning and controlling the steamships of the gross and net tonnage hereinafter mentioned, viz.: *Yoruba*, 3,000 gross, 1,913 net; *Angola*, 2,831 gross, 1,811 net; *Dahomey*, 2,854 gross, 1,828 net; *Coomassie*, 2,840 gross, 1,841 net; each of the three last-named having passenger accommodation for not less than 30 first-class and 20 second-class passengers; and all of which are guaranteed as rating at Lloyds 100 A1, will in the month of July next, after the date of these presents, or earlier, place such steamships as may be necessary to fulfil the terms of this agreement on a route between the Dominion of Canada and the island of Cuba, as hereinafter stated; and will maintain therewith for a period of one year from the date of the first sailing from Canada, a monthly service, as follows:—

(a) From the port of Montreal during the season of open navigation on the River St. Lawrence, calling at Charlottetown, in the province of Prince Edward Island; Halifax, in the province of Nova Scotia, and at Nassau, in the Bahama islands, to a port or ports in Cuba; and upon all return voyages calling at the said ports; and

(b) During the season of closed navigation on the River St. Lawrence, from the port of Halifax, calling at Nassau, in the Bahama islands, to a port or ports in Cuba, and returning to Halifax calling at the said port of Nassau; the said sailings from the Canadian ports of departure being at regular intervals on such fixed dates as may be sanctioned by the Minister; such dates to be advertised at least twenty days in advance of sailings, and completing during the continuance of this contract twelve full round voyages.

2. Each of the said steamers while employed as herein agreed, shall on all north and south bound voyages run at an average speed of not less than ten knots per hour, extraordinary conditions of the weather excepted.

3. It is understood and agreed that at the option of the Minister the service herein contracted for may be extended to the republic of Mexico, calling on all south bound voyages at the ports of Progreso, Coatzacoalcas, Vera Cruz and Tampico, with the option on the part of the Contractors of calling at any of the said Mexican ports

5-6 EDWARD VII., A. 1906

on the north bound voyages; and in case the service is so extended to Mexico the steamers may carry and land in Cuba on south bound voyages, cargo and passengers, and may take on board at Cuban ports both cargo and passengers for Mexico, and on all north bound voyages from Mexico may take on board cargo and passengers for any Cuban port, but shall not take cargo at Cuban ports for Canada.

4. Subject to the further conditions, stipulations and reservations herein provided, His Majesty, for himself, his heirs and successors, covenants with the Contractors, their successors and assigns, that the Contractors and their successors well and faithfully performing all and every the covenants and stipulations herein on the part of the Contractors set forth and contained, he will well and truly pay or cause to be paid to the Contractors, their successors or assigns a subsidy at the rate of sixty thousand dollars per annum for the hereinbefore specified service between Canada and Cuba in quarterly payments of fifteen thousand dollars each, or in case the service is extended to Mexico as hereinbefore provided, the full subsidy payable shall be at the rate of one hundred thousand dollars per annum, payable in quarterly instalments of twenty-five thousand dollars each, or such portion thereof as may have been earned during the quarters ended the last days of September, December, March and June occurring during the continuance of this contract, provided always that should the Mexican government contribute to the service, such amount or amounts so contributed shall be held to be in part payment of such subsidy and the amount payable as above shall abate accordingly.

5. It is the true intent and meaning of these presents that no amount or instalment of subsidy shall be payable or be paid at any time, unless it appears to the satisfaction of the Minister that up to the time of such instalment becoming due, as herein stipulated, the service herein described and defined has been fully and faithfully performed, and that all provisions and stipulations as to freight and freight rates and dates of sailing have been in all respects faithfully observed and carried out, according to the true intent and meaning of these presents.

6. It is understood and agreed to be a further condition of these presents that the Contractors shall prior to the first sailing under this contract, furnish to the Minister time tables showing the proposed sailings, and upon the same being approved by the Minister, they shall be duly advertised in such manner as he may direct, and it is also agreed that in case either of the steamers herein named, or a substitute steamer sanctioned by the Minister does not sail from a terminal port as herein specified within three days of the date fixed by such time tables, there shall be deducted from the amount of subsidy payable for such voyage a sum equal to one-tenth of the amount otherwise payable for the performance of such voyage, and so in proportion for further delays or failure to sail from such terminal port; provided however that the Minister may authorize any vessel to sail at an earlier or a later date than that specified in such time table should he for any reason deem it advisable to do so.

7. It is understood and agreed that in the event of any of the said steamers being at any time so disabled as to be obliged to be docked for repairs, the failure to perform the terms of this contract, owing to such accident and for the time reasonably occupied in the repair of the damaged steamer, shall not be taken as a default or breach of the stipulations of this contract or subject the Contractors to deductions as above from the amount of subsidy, if any, payable for any voyage delayed in consequence of such docking for repairs, but there shall be no claim for nor payment of any subsidy in respect of any voyage not actually performed.

8. The Contractors shall furnish and establish at their own expense the necessary agents required for the efficient performance of this contract, and shall with diligence, as soon after the completion of each voyage as may be, furnish to the Minister full and complete copies of the manifests of the cargoes and lists of passengers carried on each voyage duly certified by the proper officers of customs, and also such other documents, information and evidence as may be reasonably required by the Minister to show the volume, extent and value of the trade carried on by the said steamers, and

SESSIONAL PAPER No. 120

the full performance on their part of the services, requirements and conditions of this contract, in order to enable him to judge as to whether the terms of this contract have been or are being fully and faithfully carried out and complied with, within the true intent and meaning thereof, and his decision in that respect shall be binding, final and conclusive; and the furnishing of such certificates, documents and evidence as hereinbefore specified, shall be a condition precedent to the payment of the subsidy herein provided for, or any portion thereof, and if in the opinion of the Minister all the terms of this contract have not been fully complied with by the Contractors, he may deduct from the subsidy otherwise payable, such portion thereof as he may deem fit and proper, taking into consideration all the circumstances connected therewith, and the Contractors shall at all times during the continuance of this contract well and faithfully abide by and conform to all such requirements as may be made by the Minister with regard to the said steamers in the performance of this contract.

9. The Contractors shall prior to the first sailing under this contract furnish to the Minister a schedule of the freight rates proposed to be charged between the different ports on both north and south bound trips, which schedule shall be subject to the approval of the Minister, and after being approved by him shall not be changed except with his consent, and the Minister may at any time, if he deem it advisable, fix the maximum rates to be charged on any article or class of goods; and the Contractors shall carry between the ports hereinbefore named, on all the voyages of the said steamships employed under the terms of this contract, all passengers or freight that may be offered or that can reasonably be procured, at rates which shall not be in excess of such maximum rates as fixed by the Minister, should he deem it advisable to so fix such maximum rates, and in no case shall any discrimination be made as regards rates, or otherwise, directly or indirectly against Canadian merchants or shippers who shall always have precedence for their freight and goods over all other merchants and shippers; and it is agreed and understood that the freight rates on south bound trips sailing from any Canadian port as herein provided, on through bills of lading to Cuban or other foreign ports specified in this contract, from any place in the provinces of Ontario and Quebec, or from any Canadian points farther west shall be as favourable as via any United States route or port to the same place; and it is further understood and agreed that the said steamers shall not carry between the Canadian ports aforesaid, on any voyage run under the terms of this contract either deals or lumber or timber to a greater extent than fifty per cent of the total quantity of the cargo carried on such voyage, and such quantity only in case other Canadian products are not offering or cannot be obtained. Provided, however, that in the event of other cargo not being obtainable, satisfactory evidence of that fact being furnished to the Minister, then the Contractors shall be allowed to make up the balance of the cargo with deals, boards or timber.

10. The steamers to be employed as herein specified, shall at all times during the continuance of this contract be fully seaworthy, well-officered, manned, victualled, equipped, provided and furnished, having regard to the service which the Contractors have hereby undertaken to perform; and shall have ample and suitable accommodation for the passengers, mails and freights to be carried over the routes specified; and shall, at all times, carry boats and life-saving appliances in compliance with the law, and shall be in all respects subject to the approval of the Minister.

11. The Contractors shall during the performance of this Contract, convey on each and every trip of the steamers performing the aforementioned services, both on outward and homeward voyages, all such mails as shall be tendered to the proper officers or persons in that behalf on the said steamers by or on behalf of or under the direction of the postal authorities of Canada, or of those at the terminal port or ports of call herein referred to, and shall deliver all such mails at their proper destinations at the terminal port or ports of call above referred to; and the expense of carrying such mails from the post offices or railway stations to the steamers and from the steamers to the post offices or railway stations at the terminal ports and at the ports

of call shall be borne by the Contractors, who will be subject to all general and special regulations now or hereafter existing during the continuance of this contract in connection with the postal service. For the conveyance of all such mails no payment shall be made or required over or beyond the amount of subsidy herein mentioned or provided for.

12. The said steamers shall be provided with sufficient and convenient accommodation and protection for all such mails to the satisfaction of the Honourable the Postmaster General of Canada for the time being, and the Contractors shall further take all reasonable and necessary precautions for the protection of such mails while upon the said steamers or while in the Contractors' charge or custody, from loss, damage or injury in any way, and the Contractors shall be responsible for any loss or damage thereto caused by negligence or want of proper care or accommodation on the part of the Contractors, their agents or servants, or on the part of the officers, employees or crew on board the said steamers, and this without regard to any question as to the legal liability of the Postmaster General to the owners of the articles of mail matter contained in such mails for damage or loss sustained in transit.

13. The expression 'mails' for the purpose of this contract shall be deemed to mean and include all boxes, bags, baskets or packets of or containing letters, postcards, newspapers, parcels, books, or printed papers, and all other articles which under the Post Office Act and postal regulations for the time being in force are transmissible by post in Canada, without regard to place either of origin or destination, and also all empty bags, empty boxes, and other receptacles, stores and articles used or to be used in carrying on the post office service or which shall ordinarily be sent by or to or from the post offices.

14. The Contractors shall not, nor shall any of their agents or servants or officers or crew of the said steamers receive or permit to be received on board of the said steamers any letters for conveyance other than those contained in His Majesty's mails or which are or may be privileged by law, nor the mails of any other country, except such as are specified by the Postmaster General of Canada, for the time being.

15. The Honourable the Postmaster General of Canada or the Honourable the Minister of Trade and Commerce for the time being, or any inspector or officer of the Post Office Department or of the Department of Trade and Commerce, who may in the execution of his duty travel in the said steamers shall be carried free of charge.

16. The Contractors shall keep full and proper accounts of and in connection with the working of this service, and shall keep such accounts separate and distinct from any other accounts of or connected with other branches of their business; and in any contingency which in the opinion of the Minister may render such a course necessary, the Contractors shall allow any officer or officers named by the Minister free access to such accounts and all books, papers and documents connected therewith.

17. The steamers employed in carrying out the provisions of this contract shall not on any voyages, either outwards or homewards, call at any foreign port not specified in this contract.

18. The Contractors shall not convey or permit to be conveyed in any steamer while employed in this service any nitro-glycerine or any other article which in the opinion of the Minister shall be considered dangerous.

19. The Contractors shall at all times during the performance of this contract well and faithfully abide by and conform to all such orders and regulations as may be made by the Minister with regard to the business of the said steamers in the performance of this contract.

20. It is understood that if any of the said steamers shall be by peril of the sea or other unavoidable casualty, lost, destroyed, or temporarily disabled from performing the voyages herein agreed to be performed according to the true intent and meaning of these presents, the Contractors may in such case as soon as reasonably may be, having regard to the circumstances, replace the said steamer by another of equal class, speed, equipment, character and capacity to the satisfaction and approval of the

SESSIONAL PAPER No. 120

Minister, in case the said steamer has been only temporarily disabled, and continue the service herein contracted for with such substituted or repaired steamer with as little delay as possible under all circumstances.

21. It is conditioned, declared and agreed that the payment of subsidy, as hereinbefore stipulated, is subject to the amount specified, being provided for the purpose by a vote of the parliament of Canada, and that if no amount is voted for the purpose, or if any amount voted has become exhausted in payment thereof, and no further sum is voted for the purpose, this contract or agreement shall terminate and become void and of no effect, and the party of the first part shall not in consequence be held liable to damages.

22. It is declared to be the true intent and meaning of these presents that the Minister shall have the right at any time during the continuance of this contract, upon thirty days' notice in writing to the Contractors, their successors or assigns, to terminate this contract, and every matter and thing herein contained, if it shall appear to the Minister that there has been any breach on the part of the Contractors, their successors or assigns, of any of the covenants, agreements, stipulations or provisions herein contained and entered into on the part of the Contractors; and it is declared and agreed that the Minister shall at all times be the sole and final judge as to whether there has been any such breach, and his decision shall be absolute, final and conclusive.

23. This contract shall not, nor shall any right or interest therein be assigned without the consent in writing of the Minister to such assignment having been first obtained.

24. It is a condition of these presents that no member of the House of Commons of Canada shall be admitted to any share or part of this contract or agreement nor to any benefit to arise therefrom.

25. The Minister may authorize any change or changes in the terms of this contract as may not be inconsistent with the vote providing for the payment of the subsidy.

26. The Minister shall at all times be the judge as to whether the terms of this contract have been or are being fully and faithfully carried out and complied with within the true intent and meaning thereof, and his decision in that respect shall be binding, final and conclusive.

In witness whereof, the Right Honourable Sir Richard J. Cartwright, G.C.M.G., P.C., the Minister, hath hereto set and affixed his hand and seal as such; and Messrs. Elder Dempster & Company, of Liverpool, England, have hereunto set their hand and affixed their seal on the day and year first above written.

Signed, sealed and delivered by the
Minister, in the presence of:

R. J. CARTWRIGHT.

W. G. PARMELEE.

Signed, sealed and delivered by the
Contractor, in the presence of
William John Davey, a partner
in the firm, in the presence of:

ELDER DEMPSTER & CO.

ARTHUR McCOWAN,
Solicitor and Notary Public, Liverpool.

